



your resource for Affordable Housing



Lottery Information
Damon Farm
Hingham and Norwell, MA

Damon Farm is a new 32-unit townhome development located in Hingham and Norwell, MA. Located off Washington Street in Norwell and 1220-1222 Main Street in Hingham, Damon Farm is offering 8 townhomes, by lottery, for eligible first time homebuyers (certain exceptions apply). These homes feature two bedrooms, 2 1/2 baths, one car garage in approximately 2,000 square feet of living space. Refrigerator, Stove/oven and microwave will be provided.

Applicants will not be discriminated against on the basis of race, color, religious creed, marital status, military status, disability, national origin, sex, age, ancestry, sexual preference, source of income, presence of children, or any other basis prohibited by local, state or federal law.

The sale price for the homes is \$195,600 with a monthly condo fee of \$125. The monthly fee includes Master Insurance, Landscaping, Snow Removal, Refuse Removal and Replacement Reserve. These units will be sold by lottery as outlined in the attached package. Please review the enclosed information packet in detail and complete the application and disclosure statement at the rear of the packet.

PLEASE NOTE: All applicants must include a mortgage pre-approval letter, from an institutional lender familiar with affordable deed restrictions, and complete financial documentation with the application. An application will be considered incomplete and will not be included in the lottery if a mortgage pre-approval letter and all documentation is not received on or before the application deadline. FHA and VA loans will not be accepted as they will not close on deed restricted properties.

A Public Information Meeting will be held Wednesday, November 9, 2016 at 6:30 p.m. in at Hingham Town Hall, 210 Central Street, in the Central North Room to answer specific questions and provide an overview of the process. If you can not attend this meeting you may call MCO Housing Services at 978-456-8388.

Applications may be mailed to MCO Housing Services, P.O. Box 372, Harvard, MA 01451. The application deadline is December 3, 2016. All applications must be postmarked on or before December 3rd to be included in the lottery. The lottery will be held Monday, December 12 at 6:30 p.m. at Hingham Town Hall in room Central South.

Thank you for your interest in affordable housing at Damon Farm in Hingham and Norwell, MA. We wish you the best of luck. If you have questions and cannot attend the Public Information Meeting, please contact MCO Housing Services at 978-456-8388 or email us at lotteryinfo@mcohousingservices.com. We encourage you to advise other people or organizations that may be interested in this program and make copies of the relevant information as needed.

Sincerely,

Maureen M. O'Hagan

Maureen M. O'Hagan
MCO Housing Services for
Damon Farm, LLC



Damon Farm

AFFORDABLE HOMES Question & Answer

What are the qualifications required for Prospective Buyers?

- Qualify based on the following maximum income table, which is adjusted for household size:

Household Size	1	2	3	4
Max Allowable Income	\$51,150	\$58,450	\$65,750	\$73,050

LOTTERY APPLICANT QUALIFICATIONS:

- Household income can not exceed the above maximum allowable income limits.
- Household must be a first time homebuyer defined as not having owned a residential property for three years, including homes in a trust. ** The following exceptions apply:
 - displaced homemakers, where the displaced homemaker (an adult who has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family), while a homemaker, owned a home with his or her partner or resided in a home owned by the partner;
 - single parent, where the individual owned a home with his or her partner or resided in a home owned by the partner and is a single parent (is unmarried or legally separated from a spouse and either has 1 or more children of who the individual has custody or joint custody, or is pregnant);
 - households where at least one household member is 55 or over;
 - households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
 - households that owned a property that was not in compliance with State, local or model building codes and that cannot be brought into compliance for less than the cost of construction a permanent structure.

** A home owned by one of the above exception must be sold prior to closing on the affordable unit.

- Total household assets shall not exceed \$75,000. Liquid retirement assets are counted.
 - Individual retirement, 401K and Keogh accounts are included at 100% of the account value.
 - The value of Retirement and Pension Funds differ if you are employed or are no longer working. If still employed the value is determined using the amount you can withdraw less any penalties or transaction costs. At retirement, termination of employment or withdrawal periodic receipts from pension and retirement funds are counted as income. Lump sum receipts are counted as assets.
 - Assets divested for less than their fair market value within the last two years will be counted at their full Fair Market Value to determine eligibility.

Complete Income and Asset Guidelines will be provided upon request, if you have an opportunity to purchase or you can view online at www.mcohousingervices.com.

Other program highlights for Lottery applicants:

- Unit must be principal residence of the owners and can not be rented or leased.
- Non-household members are not permitted to be co-signers on the mortgage.
- A mortgage pre-approval letter, from a bank experienced with deed-restricted properties, is required to participate in this lottery.

Are there mortgage guidelines that we need to follow?

Yes, they are:

- Must secure a 30 year fixed rate mortgage.
- The loan must have a current fair market interest rate.



- (3) The buyer must provide a down payment of at least 3%, 1.5% of the purchase price must come from the buyer's own funds.
- (4) The loan can have no more than 2 points.
- (5) The sales price of the unit is set by DHCD to be affordable to an income-eligible household paying no more than 30% of their monthly income for housing costs. The buyer may not pay more than 38% of their monthly income for housing costs.
- (6) Non-household members are not permitted to be co-signers on the mortgage.

The mortgage must be from an institutional lender familiar with affordable deed restriction guidelines. *FHA and VA loans will not be accepted as they will not close on deed restricted properties.*

Are there preferences for local residents and those with families?

Yes. Five of the townhomes are for households who meets at least one of the Local Preference criteria. Refer to the application for the local preference guidelines.

Household size preference for the two bedroom units will be given to households that require two bedrooms, second preference is for households requiring one bedroom.

Unit preferences are based on the following:

- a. There is a least one occupant per bedroom.
- b. A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom. Other household members may share but shall not be required to share a bedroom.
- c. A person described in (b) shall not be required to share a bedroom if a consequence of sharing would be a severe adverse impact on his or her mental or physical health and reliable medical documentation is provided substantiating the adverse impact.
- d. A household may count an unborn child as a household member. The household must submit proof of pregnancy with the application.
- e. If the applicant is in the process of a divorce or separation, the applicant must provide proof that the divorce or separation has begun or has been finalized, as set forth in the application.

Persons with disabilities are entitled to request a reasonable accommodation of rules, policies, practices, or services or to request a reasonable modification of the housing, when such accommodations or modifications are necessary to afford the person(s) with disabilities equal opportunity to use and enjoy the housing.

Are there preferences for minorities?

Yes, if the percentage of minority applicants in the Local Preference Pool is less than the percentage of minorities in the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area, currently 27%, a preliminary lottery will be held, comprised of all the minority applicants who do not qualify for the Local Preference Pool. Minority applicants would be drawn until their percentage in the local pool at least meets the percentage in the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area. Applicants not selected for the local pool would be in the open pool only.

Are there any restrictions?

YES. Deed restrictions are used to ensure the units are affordable for future buyers. The deed rider requires principal residency, affordability for perpetuity and prior approval from the Town and DHCD for capital improvements and refinancing. If you choose to sell your unit you must notify the town and DHCD in writing. There is a limit on the resale price. The maximum resale price is determined by DCHD using a Resale Price Multiplier, a figure calculated by taking the initial sales price and dividing it by the area median income. **For example**, if the initial price is \$195,600 and the current area median income is \$98,100, the Resale Price Multiplier would be $\$195,600/\$98,100 = 1.99$.

Upon resale, the Resale Price Multiplier is multiplied by the updated area median income number to determine the maximum resale price. A resale fee may be added to the price.



All selected applicants are urged to review the deed rider with their own attorney. All buyers will be provided with a copy at the time of Purchase and Sale Agreement. Email maureen@mcohousingervices.com for a copy of the deed rider.

How much money do I need to make to afford the unit?

The minimum income required to purchase is based upon an applicant's ability to secure a mortgage. Attached is a "Sample Affordability Analysis" based upon current interest rates and anticipated real estate taxes and related housing expenses.

Lottery Process

Due to the nature of the affordable units' availability it is important for everyone to understand the procedure. Please understand the allowable income guidelines are adjusted based upon your household size. Also be advised that the program and its requirements are subject to changes in local, state or federal regulations.

Lottery Pools

Eight 2 bedrooms townhome are available by lottery at Damon Farm. The lottery has three pools – Hingham Local, Norwell Local and Open. The units and pools breakdown as follows:

<u>Pool</u>	<u>Qualifications</u>	<u># of Units</u>	<u>Hingham</u>	<u>Norwell</u>
Local Pool	Must meet at least one of the Local Preference Criteria as listed on the application.	5	1	4
Open Pool	All applicants – including local pool	3	1	2

All of the applicants will be pulled and their lottery code announced at the time of the lottery. This order of selection will establish the rankings for the townhome distribution. There will be three pools of applicants, two for local applicants only (one for each town) and the third for local and non-local applicants (open pool). For example, if there are 10 local applicants and 20 non-local applicants for the lottery, the first Hingham and Norwell local applicants that meets the household size preference criteria would have an opportunity to purchase, then the second until the local units are filled, and the remaining local pool applicants would establish the waiting list. The first applicant for the open pool that meets the household size preference criteria would have the opportunity to purchase and then the remaining unit are filled.

Time Frames

Damon Farm is under construction and the first availability will be immediate. If you are selected and have the opportunity to purchase the unit you will speak or meet with a representative to review your application to verify all information. The Applicant selected for the home will start working with their lender to secure the necessary mortgage. Please be advised that the final income verification will be done at the time you have an opportunity to purchase a unit. All applicants must be determined income/asset eligible BEFORE they are entered into the lottery. The initial Monitoring Agent approval is valid for 60 days. If the closing exceeds 60 days from Monitoring Agent approval, then program eligibility will need to be redone which means you will need to submit updated financial documentation. If you are over income then you be unable to purchase.

Acceptance of Home

If you choose not to purchase the property, you will go to the bottom of the list and will likely NOT have another opportunity.

Summary

We hope this helps explain the process by which the units will be distributed. It can be a lengthy and sometimes complicated process. We greatly appreciate your participation and wish you the best of luck in the lottery process.



SAMPLE AFFORDABILITY ANALYSIS

	Hingham	Norwell
Home Price	\$ 195,600.00	\$ 195,600.00
<i>Interest Rate</i>	3.73%	3.73%
<i>Down Payment (%)</i>	5%	5%
Down Payment (\$)	\$ 9,780.00	\$ 9,780.00
Mortgage Amount	\$ 185,820.00	\$ 185,820.00
Monthly Expenses		
<i>Principal & Interest</i>	\$ 858.00	\$ 858.00
<i>Real Estate Taxes</i>	204.00	269.00
<i>Private Mortgage Insurance</i>	121.00	121.00
<i>Hazard Insurance</i>	65.00	65.00
<i>Estimated HOA Fee</i>	125.00	125.00
TOTAL Monthly Expenses	\$ 1,373.00	\$ 1,438.00

NOTES:

ALL values are estimates and are subject to change.

Hingham 2016 Residential Tax Rate = \$12.49 per thousand

Norwell 2016 Residential Tax Rate = \$16.50 per thousand

Unit Availability and Distribution

Unit #	Town	Designated Winner	Estimated Availability*
7	Hingham	Local	Immediate Availability
16	Norwell	Local	Immediate Availability
22	Norwell	Open	TBD
10	Norwell	Local	TBD
4	Hingham	Open	TBD
24	Norwell	Local	TBD
17	Norwell	Open	TBD
32	Norwell	Local	TBD

- 1 - 1220 MAIN STREET
- 2 - 1222 MAIN STREET
- 3 - 1224 MAIN STREET
- 4 - 3 DAMON FARM WAY
- 5 - 5 DAMON FARM WAY
- 6 - 7 DAMON FARM WAY
- 7 - 9 DAMON FARM WAY
- 8 - 11 DAMON FARM WAY
- 9 - 13 DAMON FARM WAY
- 10 - 15 DAMON FARM WAY
- 11 - 17 DAMON FARM WAY
- 12 - 19 DAMON FARM WAY
- 13 - 21 DAMON FARM WAY
- 14 - 23 DAMON FARM WAY
- 15 - 25 DAMON FARM WAY
- 16 - 27 DAMON FARM WAY

- 17 - 29 DAMON FARM WAY
- 18 - 31 DAMON FARM WAY
- 19 - 33 DAMON FARM WAY
- 20 - 35 DAMON FARM WAY
- 21 - 37 DAMON FARM WAY
- 22 - 39 DAMON FARM WAY
- 23 - 41 DAMON FARM WAY
- 24 - 43 DAMON FARM WAY
- 25 - 45 DAMON FARM WAY
- 26 - 47 DAMON FARM WAY
- 27 - 49 DAMON FARM WAY
- 28 - 51 DAMON FARM WAY
- 29 - 53 DAMON FARM WAY
- 30 - 55 DAMON FARM WAY
- 31 - 57 DAMON FARM WAY
- 32 - 59 DAMON FARM WAY

DAMON FARM
WASHINGTON STREET
HINGHAM/NORWELL, MA

24

22

32

16

17

10

4

MAIN STREET
ROUTE 228

WASHINGTON STREET
ROUTE 53

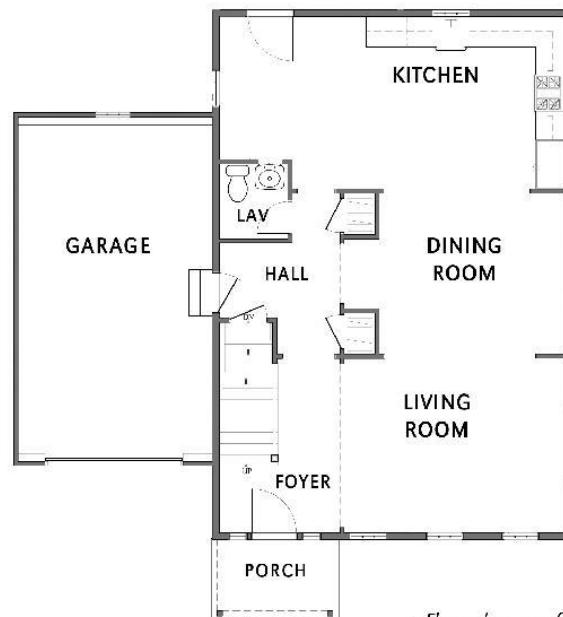
40' WIDE RIGHT OF WAY





THE DAMON B1
2 bedrooms, 2.5 bathrooms

- Floor plans are for design purposes only and are subject to change
- Windows on end walls are eliminated at party walls



THE HERSEY A2
2 bedrooms, 2.5 bathrooms

- Floor plans are for design purposes only and are subject to change
- Windows on end walls are eliminated at party walls

Damon Farm Hingham/Norwell

LOTTERY APPLICATION

For Office Use Only:

Date Appl. Rcvd: _____

Local: Y / N

Household Size: _____

Lottery Code: _____

APPLICATION DEADLINE: December 3, 2016

PERSONAL INFORMATION:

Date: _____

Name: _____

Address: _____ Town: _____ Zip: _____

Home Tele: _____ Work: _____ CELL: _____

Email: _____

Have you or any member of your household ever owned a home? _____ If so, when did you sell it? _____

You must meet one of the Local Preference Eligibility Criteria established by the Town of Hingham and Norwell to be in the local pool. Please check the appropriate category(s) that applies to your household*:

HINGHAM LOCAL PREFERENCE

- ☐ Individuals or families who live in Hingham.
- ☐ A household with a family member who works in Hingham, has been hired to work in Hingham, or has a bona fide offer of employment in Hingham.
- ☐ Household who works for the Town of Hingham or the Hingham Public Schools.
- ☐ Households with a family member who attends a public school in Hingham.

NORWELL LOCAL PREFERENCE

- ☐ Individuals or families who live in Norwell.
- ☐ A household with a family member who works in Norwell, has been hired to work in Norwell, or has a bona fide offer of employment in Norwell.
- ☐ Household who works for the Town of Norwell or the Norwell Public Schools.
- ☐ Households with a family member who attends a public school in Norwell.

*All local applicants will need to provide proof if you have the opportunity to purchase a unit and will be verified by the Town of Hingham or Norwell.

FINANCIAL WORKSHEET: (Include all Household Income which includes gross wages, retirement income (if drawing on it for income), business income, veterans benefits, alimony/child support, unemployment compensation, social security, pension/disability income, supplement second income and dividend income.)

Borrowers Monthly Base Income (Gross) _____
Other Income _____
Co-Borrowers Monthly Base Income (Gross) _____
Other Income _____

TOTAL MONTHLY INCOME:

Household Assets: (This is a partial list of required assets. A complete list will be provided should you have an opportunity to purchase. Complete all that apply with current account balances)

Checking (avg balance for 6 months) _____
Savings _____
Stocks, Bonds, Treasury Bills, CD or _____
Money Market Accounts and Mutual Funds _____



Individual Retirement, 401(k) and Keogh accounts _____
 Retirement or Pension Funds _____
 Revocable trusts _____
 Equity in rental property or other capital investments _____
 Cash value of whole life or universal life insurance policies _____
 Downpayment Gift _____
TOTAL ASSETS _____

EMPLOYMENT STATUS: (include for all working household members. Attach separate sheet, if necessary.)

Employer: _____
 Street Address: _____
 Town/State/Zip: _____
 Date of Hire (Approximate): _____
 Annual Wage - Base: _____
 Additional: _____ (Bonus, Commission, Overtime, etc.)

ABOUT YOUR FAMILY: OPTIONAL

You are requested to fill out the following section in order to assist us in fulfilling affirmative action requirements. Please be advised that you should fill this out based upon family members that will be living in the home. Please check the appropriate categories:

	Applicant	Co-Applicant	(#) of Dependents
White	_____	_____	_____
African American	_____	_____	_____
Hispanic/Latino	_____	_____	_____
Asian or Pacific Islander	_____	_____	_____
Native American or Alaskan Native	_____	_____	_____

The total household size is _____

Household Composition: Include Applicant(s)

Name _____	Relationship _____	Age _____
Name _____	Relationship _____	Age _____
Name _____	Relationship _____	Age _____
Name _____	Relationship _____	Age _____

ADDITIONAL INFORMATION:

Please be advised that the income to be used should include income for all members of the household that are to be residing in the home. Applicants will be responsible for all closing costs associated with the purchase of a home. The down payment must be a minimum of 3%, ½ of which must come from the buyer's own funds, based upon standard underwriting procedures. Some of this may be in the form of a gift depending on the lending institution.

SIGNATURES:

The undersign warrants and represents that all statements herein are true. Income and assets must be verified and a pre-approval letter from a bank submitted before entry into lottery to have an opportunity to purchase an affordable home at Damon Farm in Hingham and Norwell, MA. I (we) understand if selected all information provided shall be verified for accuracy at the time of bank application prior to closing.

Signature _____	Date: _____
Applicant	
Signature _____	Date: _____
Co-Applicant	

Return with **SIGNED Affidavit & Disclosure Form**, mortgage pre-approval letter and complete financial documentation to:

MCO Housing Services, P.O. Box 372, Harvard, MA 01451



Affidavit & Disclosure Form

I/We understand and agree to the following conditions and guidelines regarding the distribution of the affordable home at Damon Farm in Hingham and Norwell, MA.

1. The annual household income for my family does not exceed the allowable limits as follows:

Household Size	1	2	3	4
Max Allowable Income	\$51,150	\$58,450	\$65,750	\$73,050

Income from all family members must be included.

2. I/We have not individually or jointly owned a single family home, town home, condominium or co-op within the past three (3) years, including homes in a trust. We understand the exceptions that apply.
3. I/We certify that my/our total household assets do not exceed the \$75,000 asset limit and understand additional asset guidelines will be provided if we have an opportunity to purchase.
4. The household size listed on the application form includes only and all the people that will be living in the residence.
5. I/We certify all data supplied on the application is true and accurate to the best of my/our knowledge and belief under full penalty of perjury. I/We understand that providing false information will result in disqualification from further consideration.
6. I/We understand that by being selected in the lottery does not guarantee that I/we will be able to purchase a home. I/We understand that all application data will be verified and additional financial information will be required, verified and reviewed in detail prior to purchasing a home.
7. I/We understand that it is my/our obligation to secure the necessary mortgage pre-approval for the home purchase through a bank experienced with deed-restricted housing. I/We understand all expenses, including closing costs and down payments, are my responsibility.
8. I/We further authorize MCO Housing Services to verify any and all income, assets and other financial information, to verify any and all household, resident location and workplace information and directs any employer, landlord or financial institution to release any information to MCO Housing Services and consequently the project's monitoring agency, for the purpose of determining income eligibility.
9. I/We understand that if selected I/we will be offered a specific home. I/We will have the option to accept the available home, or to reject the available home. If I/we reject the available home I/we will move to the bottom of the waiting list and will likely not have another opportunity to purchase an affordable home.
10. Program requirements are established by the Dept of Housing and Community Development (DHCD) and the Towns of Hingham and Norwell. I/We agree to be bound by whatever program changes that may be imposed at any time throughout the process. If any program conflicts arise, I/we agree that any determination made by the Monitoring Agent is final.
11. I/We certify that no member of our family has a financial interest in the project.
12. I/We understand there may be differences between the market and affordable units and accept those differences.
13. I/We understand these are deed restricted units and acknowledge that it is recommended we consult an attorney.

I/We have completed an application and have reviewed and understand the process that will be utilized to distribute the available homes at Damon Farm in Hingham and Norwell. I/We am qualified based upon the program guidelines and agree to comply with applicable regulations.

Applicant

Co-Applicant

Date:

Return with completed and signed application, a mortgage pre-approval letter and all financial documentation to:

**MCO Housing Services
P.O. Box 372, Harvard, MA 01451**



REQUIRED FINANCIAL DOCUMENTATION

Please provide one copy of all applicable information. Failure to provide all required, applicable documentation will impact your ability to participate in the lottery and you will be notified after the application deadline. Call with questions at 978-456-8388.

CHECK ALL THAT APPLY AND WRITE N/A FOR ALL THAT DO NOT APPLY.

- ____ 1. Federal Tax Returns –2013, 2014, 2015 (**DO NOT** SEND MASS STATE TAXES)
- ____ 2. W2 and/or 1099-R Forms: 2013, 2014, 2015
- ____ 3. Asset Statement(s): **Current** statements including last 6 months checking accounts (full statement showing activity/every page front and back) saving accounts (full statement), investment accounts including retirement, certificate of deposit, property, down payment gift amount etc. **PLEASE NOTE: NON PAYROLL OR UNIDENTIFIED (I.E. CASH DEPOSITS) DEPOSITS IN YOUR CHECKING AND SAVINGS ACCOUNTS MUST BE IDENTIFIED AS TO THE SOURCE OF FUNDS. FAILURE TO IDENTIFY COULD PUT YOUR ELIGIBILITY IN JEOPARDY AS THOSE FUNDS MAY BE CONSIDERED INCOME.**
- ____ 4. Five (5) **consecutive** pay stubs ending within one month of unit application for all jobs (check/direct deposit stubs). For unemployment, copies of unemployment checks or DOR verification stating benefits received.
- ____ 5. If you receive payments, i.e. SS or other funds, directly to a debit card, you must provide the last statement.
- ____ 6. Social Security: official statement of monthly amount received for year in review and statement of total amount received for latest tax year.
- ____ 7. Pension: statements indicating amount received for year in review and statement of total amount received for latest tax year.
- ____ 8. Child support and alimony: legal document indicating the payment amount. If you do not receive child support you must provide a letter stating that you do not.
- ____ 9. Proof of student status for dependent household members over age of 18 and full-time students.
- ____ 10. If you intend to utilize a gift from a family member to assist with the down payment, please advise us of the gift amount with the name and telephone number of the person providing the gift.
- ____ 11. If you owned a home within the past 3 years but it was sold due to a divorce provide copy of divorce or separation papers and proof of the home sale showing equity received, such as HUD Settlement Statement.
- ____ 12. If you are self employed you must provide a balance sheet showing expenses and income on a monthly basis for 6 months prior to application and 6 months' business bank account(s).

We understand additional documents may be requested after review of application.

Applicant Signature

Date

Co-Applicant Signature

Date

**Return all documentation, mortgage pre-approval, application and affidavit and disclosure and this form to:
MCO Housing Services, P.O. Box 372, Harvard, MA 01451**

